

Press Clippings.—Some news items from the daily press on matters related to medical practice, follow:

Patterson Promises to Help Chiropractors

Stockton, May 27 (Special to the Chronicle).—Lieutenant-Governor Ellis Patterson today told the convention of National Affiliated Chiropractors of California that the present Administration would "do everything in its power to further an amendment giving the chiropractic profession the same rights and privileges extended to other members of the healing professions."

The amendment is soon to be presented by the chiropractors to the voters for their approval.—San Francisco *Chronicle*.

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Initiative May Give Harsher Health Insurance*

By Chester Rowell

The vote of the California Legislature on the health insurance bill merely means that the vote of the people on it will be by initiative instead of by referendum. It was certain from the beginning that the matter would be referred to the people one way or the other, and the motion, by friends of the bill, to make the referendum provision a part of the bill itself, was no "last minute concession" or "subterfuge," as stated by epithet-seeking opponents, but had been the intention of supporters of health insurance, including Governor Olson, from the outset. If the bill had passed the Legislature, opponents would have invoked the referendum by petition, and supporters were entirely willing, instead, to provide it by legislative action.

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The only practical issue, therefore, was which way the vote of the people should be taken, and the Legislature has determined that it shall be by initiative. Whether from the standpoint of supporters or of opponents of health insurance, this is decidedly the less desirable of the two choices, but the Legislature, under the impact of pressure groups, has made it, and those who regret this choice have nothing to do but accept it and meet it on that basis. This will be done.

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From the standpoint of opponents, the disadvantage is that the initiative, since it will originate from the labor groups, may be more objectionable to them than the much more conservative compromise measure which alone could have passed the Legislature. If what they want is no health insurance at all, they would have the opportunity to defeat it by popular vote, under either method of submission. If their hope is that the initiative method will submit a more radical measure, which they would have a better chance of defeating, they must remember that conservative supporters of health insurance will do their best to urge that the initiative measure submitted be as conservative as possible, and that radical supporters may be as open to the argument, in presenting the measure to the people, as they were in presenting it to the Legislature, that a measure less radical than they desire would be more likely to secure the votes necessary to pass it. Or, in the alternative that the more radical supporters do present a measure putting more of the cost on employers and the State and less or none on labor, that might pass, too, and then the opponents would have to live with it. They would then wish that the vote had been on the more conservative legislative measure.

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From the standpoint of supporters of health insurance, the initiative is the less desirable of the alternative methods, though they accept it if denied the other. In the first place, all but the extreme Left wing of them would themselves prefer the test on a moderate measure, such as, except for the pressure groups, could have passed the Legislature. And, in the second place, a measure passed by initiative is cumbersome to amend, as experience and changing conditions will require even in technical details. It would be better if the initiative could provide that future Legislatures could amend it by a two-thirds vote, subject of course to referendum, but it may prove impossible to induce those who will sponsor the initiative petition to include this provision.

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Nevertheless, since the vote can now be taken only this way, it will be done. There will inevitably be a hot campaign, of education and miseducation, before the people, the Medical Association the central political group on the one side and the labor unions on the other. Neither of these groups has votes enough to pass or defeat a bill, so the result will depend on the votes of the rest of us. If there were any hope that the campaign would be conducted by sober argument, on the facts, this would be a welcome

example of the democratic process. Experience when the matter was last before the people, and with the pressure campaign to influence this Legislature, indicates that, instead, there will be wholesale resort to slogans, epithets, and appeals to prejudice.

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Hitler says this is the only way to appeal to the people, and there are Americans who share this view. Even if they were correct, they would at least not be democratic. This was not Abraham Lincoln's estimate of the intelligence of the people of his time, who had far less advantages of education and means of information. It would be an inestimable service to democracy if this coming debate in California could be conducted as Lincoln and Douglas conducted theirs in Illinois. Unfortunately, there seems little prospect of it.

Anyhow, this question will not down, and the first test comes in California. Once it may have been "academic"; now it is practical, with the State and National administrations and large groups of organized voters determined behind it. Even the medical profession, in California, now concedes the principle of insurance, though it ignores the lessons of experience in applying it. In a few years, health insurance will be taken as much for granted as it now is in the rest of the world, and as workmen's compensation is in America.—Editorial, San Francisco *Chronicle*, May 20.

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Ten Democratic "Noes" on Olson Health Bill

Sacramento, May 17.—Administration forces huddled today to decide what could be done to revive the compulsory health insurance bill promised to the voters when the Democrats were elected last November.

Apparently on the road to certain defeat in the Assembly, the bill, amended yesterday, was back on file today awaiting decision of administration leaders.

The one clause, by which the administration hoped to woo the votes of both branches, provided the bill would not go into effect until approved by a referendum vote in 1940, was defeated, 41 to 33.

Ten Democrat "Noes"

The vote was along non-partisan lines despite administration backing for the measure. Five Republicans voted for the amendment and ten Democrats voted against it, one of them being Democratic Leader Hugh P. Donnelly of Turlock.

Heated words were tossed back and forth as Assemblyman Ben Rosenthal, Los Angeles Democrat and author of the bill, charged the "medical trust" was attempting to put sponsors of the measure on the spot.

He charged dictaphones had been planted in the chamber to record every speech and that owners of the machines should be made to register with the clerk of the lower house.

3 Per Cent Pay Roll Tax

He won his point, but Republicans revealed the administration also had a stenographic recording of all proceedings. She, too, registered.

After the dictaphone controversy died down, the bill as amended was sent out for reprint, to be considered later.

As amended, the compulsory health insurance bill, to be financed by a 3 per cent pay roll tax at an annual cost to industry of \$63,000,000, provides these things:

Exemption for agricultural workers, domestics, public, religious and charitable organization employees.

Defeat Predicted

All income classes are included, with those making more than \$3,000 a year given cash reimbursement for hospitalization in private institutions.

In its present form, Democrats and Republicans alike predict the bill is dead.

Assemblyman Melvyn I. Cronin, San Francisco Republican, in urging the referendum provision be killed, said:

"The administration knows full well this bill will not pass both houses. The amendment is offered in hope they can convince some of us it will take us off the spot by giving the people the final say. It is rank subterfuge."

Selling Economic Security

Adding his opposition to the measure, Assemblyman Lee T. Bashore, Glendora Republican, said that to approve it would be to "sell our economic security for social security."

Upon the referendum amendment, the roll call was as follows:

Ayes—Atkinson, Bennett, Michael Burns, Cassidy, Collins, Del Mutolo, Desmond, Dills, Doyle, Gallagher, Gannon, Gilmore, Hawkins, Heisinger, Kilpatrick, King, Lore, Maloney, Massion, Meehan, George P. Miller, Pelletier, Reeves, Richie, Rosenthal, Salsman, Tenney, Turner, Voight, Weber, Williamson, Yorty, Peck.

Noes—Allen, Bashore, Hugh M. Burns, Burson, Carlson, Clarke, Corwin, Cronin, Crowley, Daley, Dilworth, Don-

* For editorial comment, see page 394.

nelly, Evans, Field, Fulcher, Garland, Green, Houser, Johnson, Kellemes, Kepple, Knight, Kuchel, Leonard, Lyon, Eleanor Miller, Millington, O'Donnell, Phillips, Poulson, Redwine, Scudder, Sheridan, Stream, Thorp, Thurman, Walker, Waters, Watson, Weybret, Wollenberg.

Not Voting—Andreas, Call, O'Day, Robertson, Sawalisch.—San Francisco *Call-Bulletin*, May 17.

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State Health Plan Faces Defeat

Final Voting on Measure Is Postponed

Assembly Accepts Many Exemptions, Limits Benefits of Program

Sacramento, May 17.—Facing almost certain defeat, Administration forces in the Assembly today postponed indefinitely a showdown over Governor Olson's proposed compulsory health insurance program after the House late yesterday rejected an amendment to permit the people to vote on the measure.

Assemblyman Ben Rosenthal, Los Angeles, Administration spokesman, said he would not seek a final vote on the bill until some time next week and that he was under no illusions about the issue.

"The medical trust seems too strong for us," said Mr. Rosenthal.

Prior to rejection of the amendment to submit the bill to the people the lower house accepted half a dozen other changes modifying the scope of the proposal. The amendments limited health insurance benefits to those eligible to unemployment insurance, exempting agricultural labor, public employees, domestics and workers of community chest agencies and religious organizations.

Many Exemptions

Another change exempted Christian Scientists and similar healing groups; a third sought to guarantee health insurance benefits to those earning more than \$3,000 a year; a fourth removed a possibility of use of state funds for administrative purposes.

Assemblymen Melvyn I. Cronin, San Francisco; Charles W. Lyon, Los Angeles, led the fight against the amendment.

The 41-33 vote against the amendment was not considered a proper measure of the voting strength of the opposition to the bill.—San Francisco *News*, May 17.

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Legislature to Push Work as Payless Days in Offing

Issues of Unemployment Relief and Budget Expected to Come Up This Week

Sacramento, May 14 (AP).—Prospects of payless service after next Saturday heightened probability of action next week on the two major issues of the fifty-third session—unemployment relief and the 1939-41 budget—as the Legislature prepared to resume its work tomorrow.

Under Constitutional provisions Legislators are paid only for one hundred Legislative days, at \$12 for each day of such service, the total being the \$1,200 annual salary paid to members of the California Legislature. A resolution setting May 27 as date of adjournment is before the Assembly.—Los Angeles *Times*, May 15.

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Warning Given on Olson Health Plan

Del Monte (AP).—The California Medical Association received warning yesterday from its legislative representative Governor Olson's pending compulsory health insurance bill appeared to be gaining strength, but organized medicine had a "fighting chance" to defeat it in the Assembly.

Speaking of that and other measures affecting medical practice, Dr. Junius B. Harris, spokesman for the association in legislative matters, said the doctors were facing their "greatest fight" in the next few months.

Dr. Harry H. Wilson of Los Angeles was unanimously chosen president-elect, to take office in 1940. Dr. Lowell S. Goin of Los Angeles, was reelected speaker of the house of delegates. Dr. Dewey R. Powell of Stockton was elected vice-speaker.

Dr. George D. Maner of Los Angeles, Dr. C. Kelly Canelo of San Jose and Dr. Frank MacDonald of Sacramento, were named district councilors. Elected councilors-at-large were Dr. C. O. Tanner of San Diego, Dr. Elbridge Best of San Francisco, and Dr. Frederick N. Scatena of Sacramento.—Riverside *Press*, May 4.

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New Group Health Insurance Plan Outlined to Doctors

Del Monte (UP).—Proposed costs and membership regulations of the new group health insurance plan advanced by the California State Medical Association in the first statewide move of its kind in the United States were announced at the State Medical convention.

The Board of Trustees of the California Physicians' Service, the incorporated association group under which the

plan is to be operated, said final plans and actual operation of the plan "is a matter of weeks."

Membership at the outset will be limited to employed groups earning not more than \$3,000 a year. WPA workers will be eligible. A 50 per cent sign-up will be required for groups of 1,000 or more; a 100 per cent for groups of less than 10; and a corresponding ratio for groups between these limits.

\$2.50-\$2.00 Monthly

Voluntary memberships will cost \$2.50 or \$2.00 a month. The \$2.00 fee will apply when the individual assumes costs of the first two visits for any illness.

Patients may select any physician of the 4,300 who have already joined the service.

Beneficiaries will be entitled to not more than one year's medical treatment for any one illness or injury; and not more than twenty-one days' hospitalization with complete nursing, x-ray and laboratory service.

The Physicians' Service will not accept responsibility for injuries covered by workmen's compensation insurance, mental disease, alcoholism, attempts to commit suicide, or incurred as the result of lawlessness. The service will not pay for drugs.

Provision for Childbirth

Medical and hospital care for childbirth will be provided only after the mother has been a member of the service for more than two years.

The plan will go into operation after completing arrangements with hospital insurance groups already in existence and the setting up of physicians' fees.

Payment for physicians will be based on a unit fee, ranging from one unit for a "second office visit" to eighty units for a major operation. The value of the unit in dollars and cents was yet to be determined.

Operation Schedule

Tentative schedules provided such unit valuation as:

Appendicitis operation—50 to 60 units; cesarian operation—60 units; fractures—8 to 60 units.

Although limited at first to those in employed groups, California Physicians' Service officials said it was hoped eventually to accept membership from dependents of group employees and from individuals.

The plan is to be operated and run by the physicians themselves. Another plan, compulsory, however, advanced by the State Administration, is up for consideration by the Legislature.—Watsonville *Register-Pajaronia*, May 4.

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Doctors Study Health Bill

A. M. A. Leaders Fear Opening of Door to Major Social Revolution

St. Louis, May 14 (AP).—Prospects that 40 to 60 million Americans may become eligible to tax-paid, or tax-aided, medical service was the main issue discussed informally today by physicians gathering here for the annual meeting of the American Medical Association. Upwards of ten thousand doctors are expected.

In the Wagner Bill, now before Congress, some leaders professed to see the opening of the door to a major social revolution.

Provides Vast Sum

The bill would appropriate \$92,000,000 for 1940 in six classes of federal aid to states for medical care. In 1941 the money would be \$103,000,000 plus "sufficient" to care for indigent and unemployed sick at that time coming under state networks yet to be set up and if they are approved. In 1942, \$199,000,000 plus the same kind of "sufficient" funds states would contribute.

The principle on which the bill is based has been accepted by the American Medical Association itself, by other groups of physicians and by President Roosevelt's health counselors. The principle is tax money to help indigent sick.

Method Criticized

But how to do it is drawing criticism from doctors. They forecast dangers, from the Wagner Bill, running even to control of election of Senators in thinly populated states by federal health officials, to benefits, if the principle is wisely used, such as standards of universal health the like of which the world has never seen.

Main criticism of the bill: Three federal officials would control not only the money but directly and indirectly the kind of medical service in each state. Anything, up to a state paying for the sickness of everyone, is possible.

Favor Local Control

Only local control can be medically efficient and that is not provided for specifically. Care of the sick is for doctors and should not be controlled by public health officials. Administrative personnel is provided for without specification of its medical qualifications.

The house of delegates of the American Medical Association, governing body of American medicine, said Dr.

Morris Fishbein, editor of the American Medical Association *Journal*, will this week consider the issues of localized control.

The Wagner Bill would provide new hospitals. Critics declare existing hospitals are not fully used. The nation has five thousand x-ray machines in hospitals, and these are not yet used to capacity for those who could benefit.—*Los Angeles Times*, May 15.

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Reported Medical Lack Challenged

Association Group Denies 40,000,000 Need Care

St. Louis, May 16 (AP).—The idea that 40,000,000 economically submerged Americans are without medical care was challenged before the American Medical Association today.

The committee study of 43,000,000 Americans was presented with the written opinion the number actually in medical need is nearer 40,000 than 40,000,000.

This statement referred only to persons not at present cared for in some manner. The report estimated that perhaps 10,000,000 persons among the 43,000,000 are receiving, as needed, free medical care direct from doctors.

The report was read by Dr. W. F. Brasch of the Mayo Clinic. It summarized the results of a survey of 747 counties in thirty-seven states made by local physicians.

Free Aid Told

Twenty thousand physicians replied to questionnaires. Of these, 17,000 reported free medical service to 2,611,451 persons. In addition, these same physicians reported giving 1,909,713 hours a year free service in hospitals.

The report considered this showing a good cross-section of the average and said that if it is then the estimates of \$1,000,000 a day free service by American doctors is far too low.

The 17,000 physicians were only 25 per cent of the doctors in the territories canvassed. The report assumed the probability that the other doctors contribute free service in about the same degree and said that if this is true, then the number of persons served without cost, among the 43,000,000, is about 10,000,000 in a year.

Action Postponed

Action on the Wagner Bill in the United States Senate proposing federal subsidies for the indigent sick, was postponed until Wednesday. It was announced that representatives of organized medicine will go to Washington, May 25, to give the Senate Committee the views of the present meeting of the house of delegates of the American Medical Association on the act.—*San Francisco Examiner*, May 17.

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Medical Association Attacks Health Act

St. Louis, May 18 (AP).—The American Medical Association, through its house of delegates, was lined up solidly today in opposition to the Wagner health bill as "contrary to the best interests of the American people."

A resolution, adopted by the 174 delegates in twenty minutes without a dissenting vote, held the Wagner Bill fails to make use of existing facilities for the sick poor and would impose federal control of spending for the sick.

As an alternative, the doctors proposed starting with existing facilities, expanding them and permitting states to ask for and get federal aid as needed.

The resolution adopted yesterday was in general terms, so couched to serve as a statement of principles to guide the thinking of doctors. The American Medical Association and federal authorities are in agreement on the basic principle, that tax moneys be used to help care for the indigent sick.

The bill, commonly called the "national health act of 1939," is an amendment to the social security of 1935 and is intended to make effective a national health program recommended by the inter-departmental committee to coordinate health and welfare activities.—*San Francisco Call-Bulletin*, May 18.

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Medical Association Lists Bars to Socialized Medicine

New York, April 15.—Six reasons why the American Medical Association opposes socialized medicine were placed before the American Association for Social Security by Dr. Morris Fishbein, editor of the *Journal* of the American Medical Association, here today.

His first point was that American medicine opposes compulsory sickness insurance "because it is compulsory and represents another step toward the breakdown of American democracy."

Doctor Fishbein predicated his second point on the stand that compulsory health insurance so called was not "health" insurance, but "sickness" insurance, and declared that the tendency of such proposals was to do "little or nothing for preventive medicine."

Other speakers at the morning session were Miss Helen Hall, head worker of the Henry Street Settlement and President of the National Federation of Settlements, and Dr. Hugh Cabot, of the Mayo Clinic, Rochester, Minnesota.

Thirdly, Doctor Fishbein held that compulsory sickness insurance encouraged excessive attention to minor illnesses and complaints and "deficiencies in the care of more serious conditions."

"Compulsory sickness insurance exalts administration at the expense of patient and doctor alike," he said as his fourth objection. "The German system has for years employed more administrators than physicians. The reported costs of administration in various countries vary from 10 to 20 per cent. Costly buildings for administration multiply and hospitals deteriorate. Sickness insurance interferes with professional control of standards and introduces incompetent political control."

"Fifth, compulsory sickness insurance offers no contribution to the care of indigent. The majority of the expense in such systems is paid by the low income workers. The deductions of these costs from a wage already too small to do more than meet the necessities of life creates more sickness than the medical care provided can prevent or cure."

"Sixth, in the United States today our sickness and death rates are as low or lower than those of any other great country in the world. . . . Thousands of experiments are being conducted with the aid of the medical profession leading to new methods of distribution of any payment for medical service. The American Medical Association has opposed only these experiments which involved deterioration of the quality of service, inhibition of medical advancement, uncontrolled solicitation and seduction of patients, promises that were certain never to be fulfilled."—*Boston Christian Science Monitor*, April 18.

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Bill Limiting Use of "Doctor" O.K.'d

(By International News Service)

Sacramento, May 16.—Before the Governor for signature today were two bills passed by the Legislature, regulating the practice of medicine, including one which would permit only physicians and surgeons to use the title "doctor" alone. Holders of other medical certificates would be required to explain after their title what field they were licensed to practice.

A bill by Assemblyman Melvyn Cronin of San Francisco would permit graduate medical students and internes to treat the sick and afflicted for only two years in hospitals and schools. After that time a certificate would be required for further practice.—*Los Angeles Times*, May 16.

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Prenatal Health Test Bill Signed

Sacramento, May 10 (AP).—Governor Olson today signed a bill requiring prenatal examination of women for syphilis. A second measure which would require premarital examinations of a similar nature has been passed by the Senate and is now pending before the Assembly. Olson announced he would sign this bill also.—*San Francisco Chronicle*, May 11.

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Traveling Clinics to Visit Migrants

Three "Samaritan wagons," each staffed with a doctor, a nurse and a sanitarian, left San Francisco yesterday to carry preventive medicine to migratory workers in the agricultural valleys of California.

These traveling health centers of the State Department of Health will start work in Kern, Tulare and Yuba counties. First aid and treatment for simple ailments will be given. The truck clinics are equipped to act as ambulances in emergencies. They will move from locality to locality with the workers.

Each worker will be immediately immunized against smallpox (430 cases of it so far this year) and typhoid. Blood tests will be taken and a survey of malaria conditions made. In any case of serious illness the patient will be referred to the Federal Farm Security Administration's medical service.—*San Francisco Chronicle*, May 16.

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Medical Loans Rank Second

Hartford, Conn., May 14 (UP).—A survey of the State Banking Department reveals that most persons secured small loans—maximum \$300—during 1938: first, to pay off old debts; second, to meet medical bills, and third, to refinance old debts.

Other reasons, in their order, were to cover immediate business needs, and for clothing.

Small loan companies in Connecticut catered to 72,013 borrowers during the year and lent \$9,976,381. Interest was

charged at the rate of 3 per cent on the unpaid balance up to \$100 and 2 per cent on the unpaid balance up to the maximum borrowable amount of \$300.

Skilled workers represented 36.89 per cent of the borrowers; unskilled workers, 18.38 per cent; office and clerical workers, 12.41 per cent; federal, state, county and city employees, 7.37 per cent; proprietors, 6.35 per cent, and commercial and sales workers, 6.25 per cent.

The average loan in 1938 was \$104.34, while in 1937 it was \$98.83.

Small loan companies collected 88.67 per cent of collectible charges.—Los Angeles Times, May 14.

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Senate Hears Cure Defense

Committee Tables Bill Declared Aimed at Practitioner After Hearing San Bernardino Man

Examiner Bureau, Sacramento, May 16.—A Senate committee today heard of a "cure" for advanced hopeless cases of tuberculosis, and how it was concocted of secret compounds from "Nature's laboratories."

The story was narrated by C. E. Grier, chairman of the San Bernardino County Board of Supervisors, appearing before a public health committee to protest a bill aimed, he said, at E. C. Hurlburt, "the unlicensed practitioner to whom I owe my life." He told how Hurlburt's remedy had aided him.

So effective was his story that the committee tabled the bill. However, Hal Randal, special investigator for the State Board of Medical Examiners, testified that examination showed that Hurlburt's "cure" compounds consisted among other things of kerosene, oil of sassafras and yellow dye, applied externally.—San Francisco Examiner, May 17.

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Dr. Van Etten Next President of A.M.A.

Opposes Public Control of Medical Practice

St. Louis, May 18 (AP).—From the ranks of its general practitioners, the American Medical Association today chose 72-year-old Dr. Nathan B. Van Etten of New York as its president-elect to take office when the Association meets in New York in June, 1940.

Summoned before the Association's House of Delegates, which selected him unanimously, Doctor Van Etten responded with a call for education of physicians and patients to the "dangers of centralized control of medical practice" he said were found in the Wagner public health bill.

The delegates adopted a resolution yesterday opposing the bill, which would set up a system of federal subsidies for indigent sick.

The bill, Doctor Van Etten charged, would "destroy" the practice of medicine as it now is known and would turn over "the functions of the most highly educated group of professionals in the world to bureaus operated by adventurous amateurs."

Others Elected

Doctor Van Etten, born in Waverly, N. Y., received his medical degree at Bellevue Hospital College in 1890, and has been medical director of the Morrisania Hospital since 1929.

Dr. Rock Sleyster of Wauwatosa, Wisconsin, took over presidency of the Association for 1939-40 at the convention here, succeeding Dr. Irvin Abell of Louisville.

Dr. Alphone McMahon, president of the St. Louis Medical Society, was elected vice-president of the Association to serve during the current year. He won by a vote of 93 to 42 over Dr. Louis J. Hirschman of Detroit.

Other officers were reelected including Dr. Olin West, Chicago, secretary and general manager; Dr. Herman L. Kretschmer, Chicago, treasurer; Dr. H. H. Shoulders, Nashville, Tenn., speaker of the House of Delegates, and Dr. R. W. Fouts, Omaha, Nebraska, vice-speaker.

Atlantic City Wins

Atlantic City, New Jersey, was chosen over Philadelphia for the 1942 convention. The 1941 meeting will be held in Cleveland. . . .—San Francisco Examiner, May 19.

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Three Agencies of Four Put Okeh on Health Unit Plan

The long-talked-of public health service for Sutter and Yuba counties seemed to be assured this week when three of the four governing bodies voted to enter into agreement to include the plan in their budgets for the coming year. The Yuba County Board of Supervisors and the Yuba City Council voted it unanimously and the Sutter County voted it four-to-one. . . .—Yuba City Independent Farmer, May 5.

Coronado Gets Medical Parley

Two San Diegans were elected by the California Medical Association at Del Monte yesterday, Coronado was selected for the 1940 meeting place and delegates heard a San Diego Assemblyman's hospital bill termed a "screwbox" measure.

Dr. C. O. Tanner, San Diego, was elected a councilor-at-large. Dr. Lyell C. Kinney, San Diego, was chosen a delegate to the American Medical Association convention, The Associated Press reported.

In an address to the medical men, Dr. Junius B. Harris, legislative spokesman, said Assemblyman Paul Richie's bill requiring hospitals to supply "full service," without discrimination, to all patients and those who treat them, was a "screwbox" measure. The bill would compel the hospital to provide the patient and doctor with an advance price list of all service and supplies ordered by the patient or attending physician.

Dr. Harry H. Wilson, Los Angeles, unanimously was named president-elect. Dr. Lowell S. Goin, Los Angeles, was reelected speaker, House of Delegates, and Dr. Dewey R. Powell, Stockton, vice-speaker.

Dr. George D. Maner, Los Angeles; Dr. C. Kelly Canelo, San Jose, and Dr. Frank MacDonald, Sacramento, were elected district councilors. Dr. Elbridge Best, San Francisco, and Dr. Frederick Scatena, Sacramento, also were named councilors-at-large.

With Doctor Kinney, Doctors Goin and Best were elected delegates to the American Medical Association convention.—San Diego Union, May 4.

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A.F.L. and C.I.O. Back Wagner Health Plan

Washington, May 11 (AP).—American Federation of Labor and Committee of Industrial Organization officials testified today in support of a proposal by Senator Wagner, Democrat of New York, for an expanded federal health program, while a representative of the Pennsylvania Medical Society opposed it as creating "a danger of breaking down Democracy in this country."

The witnesses testified at a Senate Labor Committee hearing on legislation which would provide federal grants to states for various health activities.

"In Germany in 1850 they started these things, and what is it now—a dictatorship," Dr. C. L. Palmer of Harrisburg, chairman of the Pennsylvania society's committee on public health legislation, asserted.

Lee Pressman, counsel for the C.I.O., attributed opposition to the bill to a "reactionary group of officials of the American Medical Association."

Matthew Woll, representing the A. F. of L., urged enactment of the measure, contending that "the cost of medical care should be lowered so that it is within the reach of that large part of the population which has less than \$1,500 income."

Woll asked that administration of old age insurance, the national employment service, unemployment compensation and health insurance be placed under the Department of Labor.—Sacramento Bee, May 11.

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State's Compensation Plan Founder Opposes Olson Bill

Will J. French Warns Against Proposal to Create Industrial Insurance Monopoly

Sacramento, May 21 (Exclusive).—Will J. French, who served on the State Industrial Commission for approximately twenty years under five Governors and who was one of the founders of California's workmen's compensation system, has issued a warning against the proposal to create by law a monopolistic state compensation fund.

Governor Olson is supporting a bill pending before the Assembly Insurance Committee to give a monopoly to the state compensation fund and to eliminate the private carriers in the writing of workmen's compensation insurance.

In a letter to Assemblyman Gardiner Johnson, Berkeley, French declared that but "for the heavy hand of politics," the state compensation fund would have returned to policyholders a greater sum than the \$30,800,000 returned since January 1, 1914.

He said that "there is a certain stability given by the prevailing system because of competition between the private insurance companies and the state fund."

French pointed out that when the state fund was planned in 1913, the three commissioners were divided as to recommending a monopoly and that his vote decided the controversy.

"Later on," he said, "the commissioners agreed that the wisest course had been followed."—Los Angeles Times, May 22, 1939.

100 Million Tax Seen If Insurance Bill Passes

North Coast Council Opposes Compulsory Insurance Bill

State levies of one hundred million dollars a year would be required to finance the compulsory health insurance plan now awaiting action by the California Legislature, members of the North Coast Council Taxation Committee—one of the major State Chamber of Commerce committees meeting here today—pointed out following their meeting.

Discussion of the health insurance plan featured the Taxation Committee's session during the morning. H. H. Sawyer, chairman, presided at the meeting, at which a bulletin recently compiled by the State Chamber on the plan, was read and discussed at length.

Of the \$100,000,000 annual tax levy, \$80,000,000 would be raised by new pay roll taxes and new state or federal taxes, the committee pointed out. This amount would go into a medical benefit fund, and \$20,000,000 would be shifted from the employee pay roll taxes now going into the unemployment reserve fund would be shifted to a new disability benefit fund, according to the State Chamber's bulletin, which analyzes Assembly Bill 2172.

From the fund of \$80,000,000 to be so created, the state would undertake to provide all medical care and medicines, and specified dental, hospital and nursing care, to all employed workers receiving less than \$3,000 per year and their dependents.

The State Chamber bulletin says:

"The most important provisions of the measure would provide for a system of compulsory health insurance for about 1,800,000 employed workers and dependents. Under this act, the state would collect by new taxation about \$80,000,000 annually, to go into a state medical benefit fund.

Employees Provide One-Third

"Employees would provide one-third of this fund by means of a 1 per cent pay roll tax on earnings. The remaining two-thirds would be provided by the general public, one-third to be raised by a 1 per cent employer pay roll tax, and one-third by other new taxes which are not specified in this measure.

"For about 70 per cent of the state's population the existing relationship between doctors and patients would be entirely changed. All licensed physicians and surgeons would be permitted to register and contract with the state to furnish medical and surgical care for this group of workers and their dependents.

"A doctor's payment would not be on the present basis of fees for various services actually rendered to individual patients, but each doctor would be paid a uniform flat rate of so many dollars per year for each person on his medical list, regardless of the amount or quality of services rendered."

The State Chamber of Commerce, at a recent meeting of its Board of Directors, voted to oppose this health insurance measure, raising particular objection to the method of finance proposed, and the addition of new pay roll taxes on industrial and business employers.—*Santa Rosa Republican*, May 5.

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Health Insurance Bill Loses First Test in Assembly Administration Forces Beaten on Referendum Amendment; Final Defeat Is Predicted

Sacramento, May 16.—By a vote of 41 to 33 the Assembly late today gave positive indication it will defeat the compulsory health insurance bill sponsored by Governor Olson when the measure is up for final action.

The decisive vote came on an amendment by administration forces to provide that the bill would not become effective until it had been approved by the people. Plans were to submit it to the voters at the 1940 general election.

The amendment proposing a referendum was offered in an effort to stave off defeat for the administration forces. Assemblyman Ben Rosenthal, Los Angeles, author of the bill and an Olson leader, presented the amendment.

Termed "Evasive"

Characterizing the amendment as "a subterfuge and an evidence of insincerity," Assemblyman Melvin I. Cronin, San Francisco, one of the opponents of the bill, declared the sponsors of the health insurance program should submit it as an initiative measure if they wished to put it before the people.

Assemblyman Charles W. Lyon, Los Angeles, joined in urging defeat for the amendment, declaring the "orderly way for the Legislature to submit such a program is by a constitutional amendment which would require the votes of fifty-four members of this body." He also branded the amendment as "evasion and a subterfuge."

Prior to the vote on the amendment a series of other changes were made in the bill. The most important ex-

empted members of the Christian Scientist faith from the provisions of the bill. Another provided for cash reimbursement and hospitalization for those who earn more than \$3,000 annually, giving them the same credit as those in the brackets between \$300 and \$3,000. Other amendments excluded all persons not included under provisions of the unemployment reserves act.

Assemblyman Rosenthal admitted that his bill faced defeat. He declared the "medical lobby" had been too strong for his forces.

The bill provides for the establishment of a compulsory health insurance system for persons earning between \$300 and \$3,000 per annum, financed by a 1 per cent contribution from employer, employee and state. Physicians would register under a panel system. The plan would be placed within the present unemployment reserves for administrative purposes.—*San Francisco Chronicle*, May 17.

LETTERS

Subject: Statute of limitations.*

(COPY)

May 9, 1939.

Dear Doctor:

Yours of May 1 addressed to the California Medical Association has been referred to me for reply. Ordinarily, a claim for medical services would be barred by the statute of limitations if pleaded, unless suit is brought within two years from the date of rendition of services. Therefore, it is well to either commence a suit within two years from date of rendition of services or secure a promissory note or a written acknowledgment of the debt before the two-year period passes.

Under certain circumstances the statute of limitations on a suit to recover professional fees is four years, but it is not advisable to wait more than two years and risk the interposition of the two-year statute as a defense.

Normally a claim for negligence (malpractice) against a physician can be barred by pleading the statute of limitations if the action is commenced more than one year after the alleged negligent action or omission occurred.

I am stating the general rules. There are exceptions to both, particularly in malpractice cases where the alleged negligent act may be a continuing one, *e. g.*, failure to remove a sponge.

Very truly yours,

HARTLEY F. PEART.

Subject: Medical advice over the radio.

(COPY)

JOINT COMMITTEE ON PROFESSIONAL RELATIONS
OF THE
MEDICAL SOCIETY OF NEW JERSEY
AND THE
NEW JERSEY PHARMACEUTICAL ASSOCIATION

Trenton, New Jersey,

May 5, 1939.

To the Editor:—The Joint Committee on Professional Relations of the Medical Society of New Jersey and the New Jersey Pharmaceutical Association at a recent meeting passed the following resolution, which has been endorsed by the Medical Society of New Jersey and the New Jersey Pharmaceutical Association:

Resolved, That the Joint Committee on Professional Relations request the Medical Society of New Jersey and the New Jersey Pharmaceutical Association to enter a formal protest against the prescribing of medicines and the giving of medical advice on the radio, with the excep-

* Copy of a letter from General Counsel Hartley F. Peart to a member of the California Medical Association.